

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298



October 22, 2002

Agenda ID # 1282

TO: PARTIES OF RECORD IN APPLICATION 97-05-022

This is the draft decision of Administrative Law Judge (ALJ) Minkin. It will not appear on the Commission's agenda for at least 30 days after the date it is mailed. The Commission may act then, or it may postpone action until later.

When the Commission acts on the draft decision, it may adopt all or part of it as written, amend or modify it, or set it aside and prepare its own decision. Only when the Commission acts does the decision become binding on the parties.

Parties to the proceeding may file comments on the draft decision as provided in Article 19 of the Commission's "Rules of Practice and Procedure." These rules are accessible on the Commission's website at <http://www.cpuc.ca.gov>. Pursuant to Rule 77.3 opening comments shall not exceed 15 pages. Finally, comments must be served separately on the ALJ and the assigned Commissioner, and for that purpose I suggest hand delivery, overnight mail, or other expeditious method of service.

/s/ CAROL A. BROWN

Carol A. Brown, Interim Chief
Administrative Law Judge

CAB:tcg

Attachment

Decision **DRAFT DECISION OF ALJ MINKIN** (Mailed 10/22/2002)

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of the San Diego Gas and Electric Company (U 902-E)
For: (1) Authority to Reduce Rates Effective January 1, 1998, (2) Authority to Sell or Assign Transition Property to One or More Financing Entities; (3) Authority to Service Rate Reduction Bonds on Behalf of Financing Entities; (4) Authority to Establish Charges Sufficient to Recover Fixed Transition Amounts; and (5) Such Further Authority Necessary for SDG&E to Carry out the Transactions Described in this Application.

Application 97-05-022
(Filed May 6, 1997)

DECISION CLOSING PROCEEDING

Summary

This decision closes Application (A.) 97-05-022 because all pending issues raised in San Diego Gas & Electric Company's (SDG&E) petition to modify Decision (D.) 97-09-057 were considered in D.00-06-034.

Background

SDG&E filed this application pursuant to Pub. Util. Code § 841 et seq. for authority to issue up to \$800 million in rate reduction bonds. D.97-09-054, D.97-09-057, and D.97-10-064 were issued in this docket. On February 19, 1999, SDG&E petitioned to modify D.97-09-057. Southern California Edison Company (Edison), the Office of Ratepayer Advocates (ORA), The Utility Reform Network (TURN), and the Utility Consumers Action Network opposed this petition.

SDG&E's petition requested a change in the interest rate to be applied to future ratepayer refunds of Unrealized Bond-Financing Savings. SDG&E requested that this interest rate be changed from 12.6%, the authorized rate of return at the time, which was determined to be the appropriate interest rate in D.97-09-057, to the lower rate of return applicable to assets subject to the Competition Transition Charge.

Discussion

This issue was also addressed in D.00-06-034, which determined that SDG&E must refund the excess rate reduction bond proceeds at SDG&E's authorized rate of return, as provided for in D.97-09-057 (D.00-06-034, Ordering Paragraph 17, *mimeo.* at p. 105). SDG&E was also directed to refund or provide a credit to customers on the next feasible billing cycle after the effective date of D.00-06-034.

The issues addressed in SDG&E's petition to modify D.97-09-057 have been fully considered in D.00-06-034, and the petition is now moot. There is no other reason to keep this proceeding open; therefore, we will close A.97-05-022.

Comments on Draft Decision

The draft decision of ALJ Minkin in this matter was mailed to the parties in accordance with Pub. Util. Code § 311(g)(1) and Rule 77.7 of the Rules of Practice and Procedure. Comments were filed on _____.

Assignment of Proceeding

Commissioner Henry Duque is the Assigned Commissioner and Administrative Law Judge (ALJ) Angela Minkin is the assigned ALJ in this proceeding.

Finding of Fact

The issues addressed in SDG&E's petition to modify D.97-09-057 were considered in D.00-06-034, and SDG&E's petition is now moot.

Conclusions of Law

1. A.97-05-022 should be closed.
2. This order should be effective today, in order to allow the docket to be closed expeditiously.

IT IS ORDERED that Application 97-05-022 shall be closed.

This order is effective today.

Dated _____, at San Francisco, California